

Overview of Fiscal Year 2015 Executive Recommended Budget Bay County, Michigan



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October 14, 2014



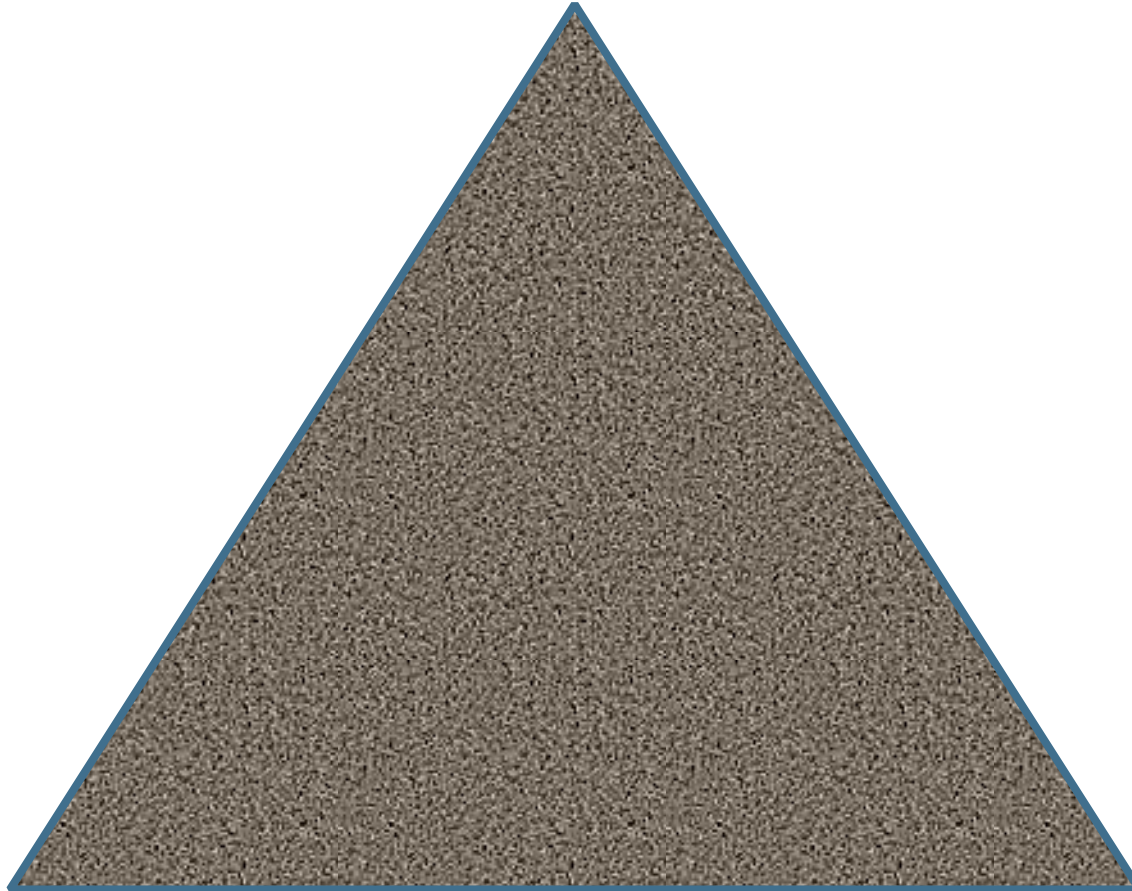
2015 Executive Recommended Budget Overview

- Introduction
- Revenues
- Expenditures
- Recommendations
- Q&A



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CITIZENS OF BAY COUNTY



FISCAL RESPONSIBILITY

EMPLOYEES



2015 Budget Highlights

- A balanced budget was submitted by the statutory deadline
- Total county spending for all funds \$152M
- Total General Fund expenditures \$34.0M



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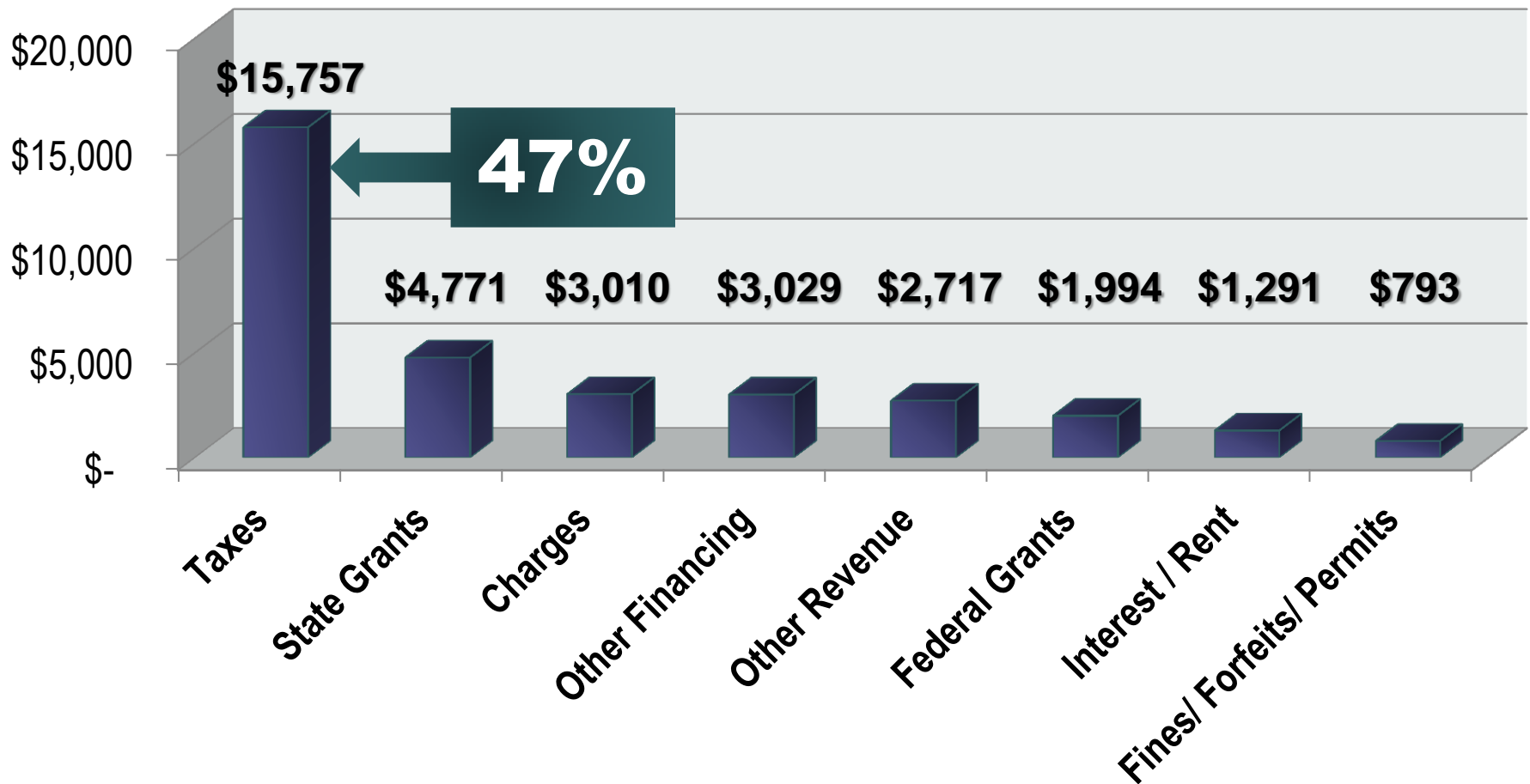




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2015 General Fund Revenues

Thousands

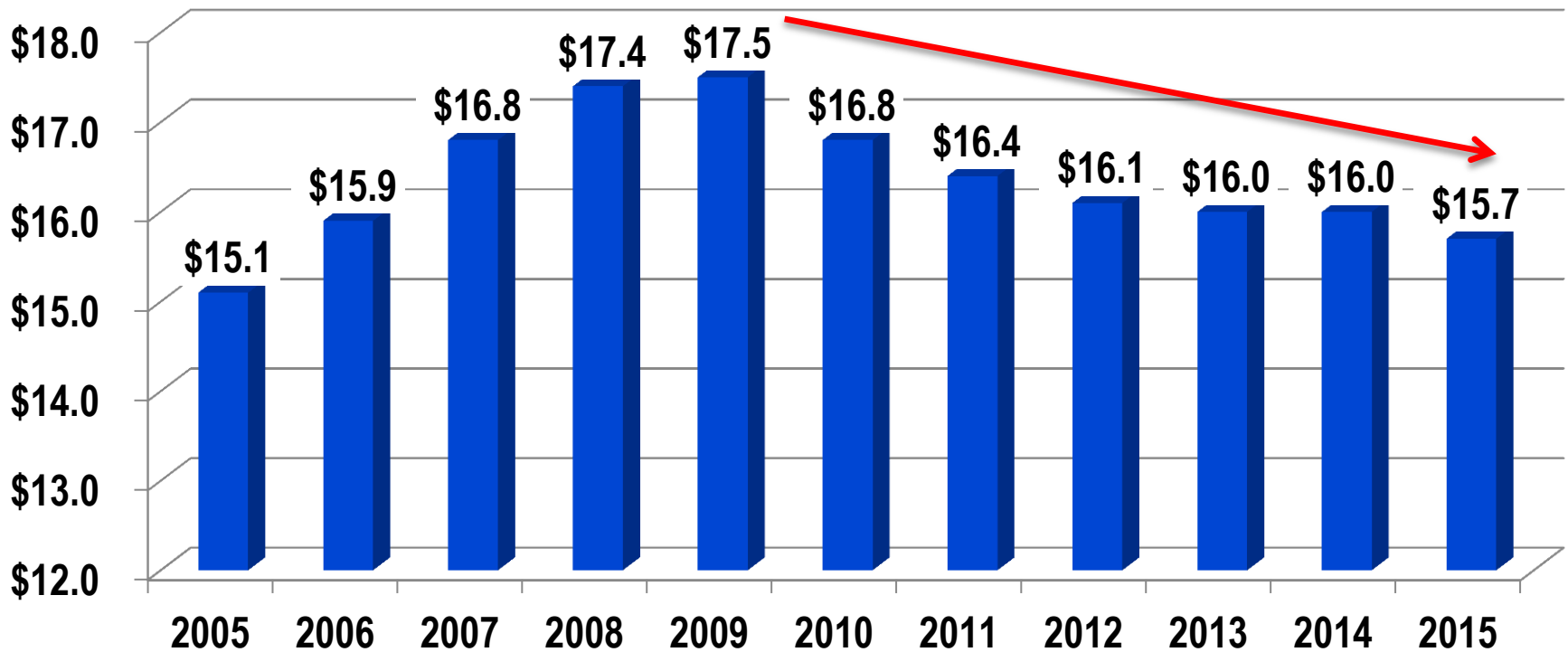




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Bay County General Fund Property Tax Collections

Millions





2015 - General Fund Revenues

- \$1,038,000 transfer to the General Fund from the Delinquent Tax Revolving Fund
- Revenue Sharing will be fully funded in 2015, an increase of 25%



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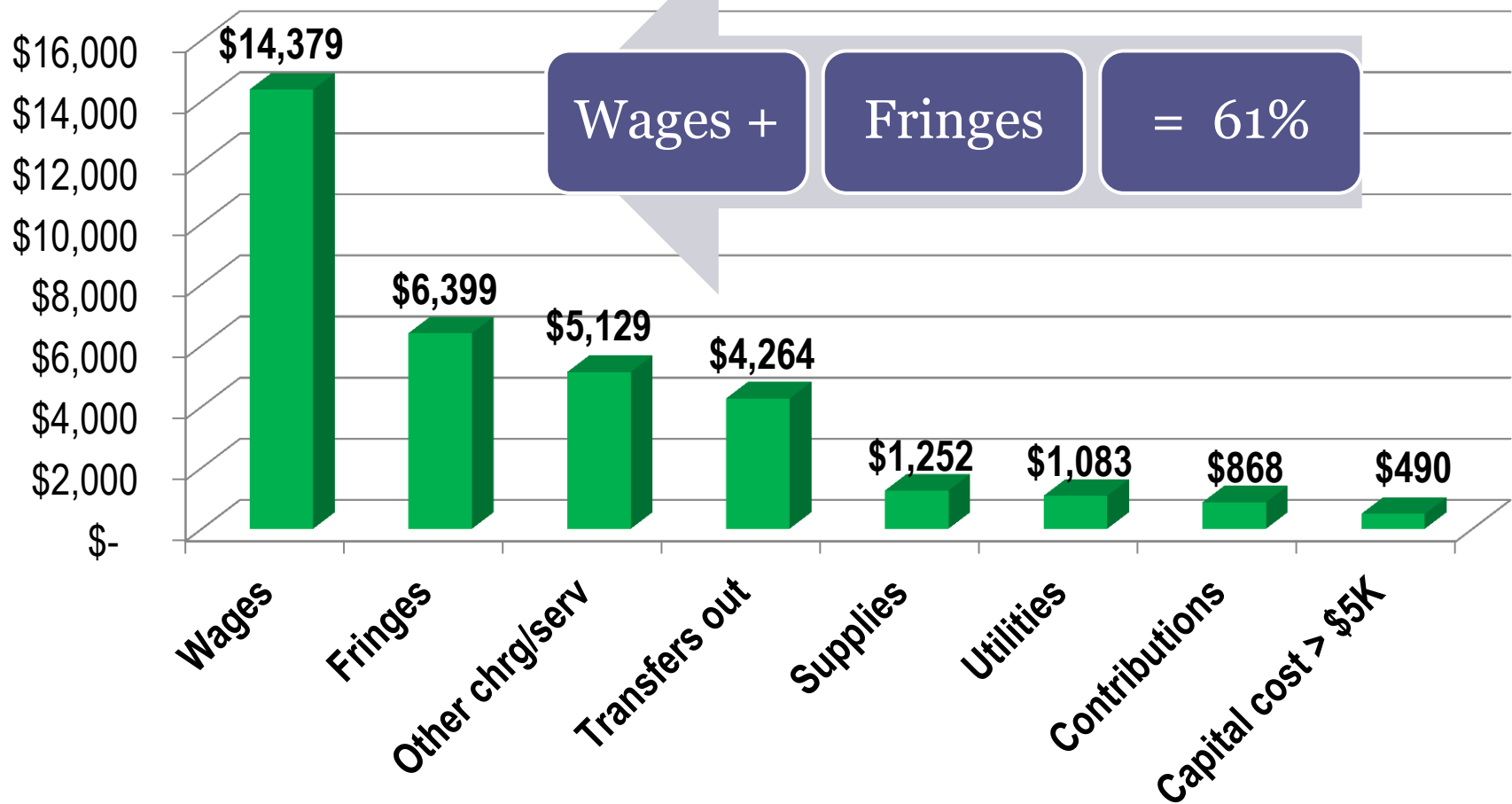




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2015 - General Fund Expenditures

Thousands





Other General Fund Expenditure Factors

- Wages- No increase to base in 2015

+

One percent (1%) lump sum
or three personal days



Other General Fund Expenditure Factors (Continued)

- Health Insurance-Employers health insurance contributions is projected to be at \$4.0M in 2015
- Continued Health Cost Reducing Measures
 - New Co-Pay & Deductible Structure
 - Wellness Center



General Fund Expenditures Retirement System

- As of December 31, 2013, the **General Group** in the retirement system had a funded ratio of 108.7%; as a result, the recommended employer contribution to the pension system is .03% of payroll beginning January 1, 2015.

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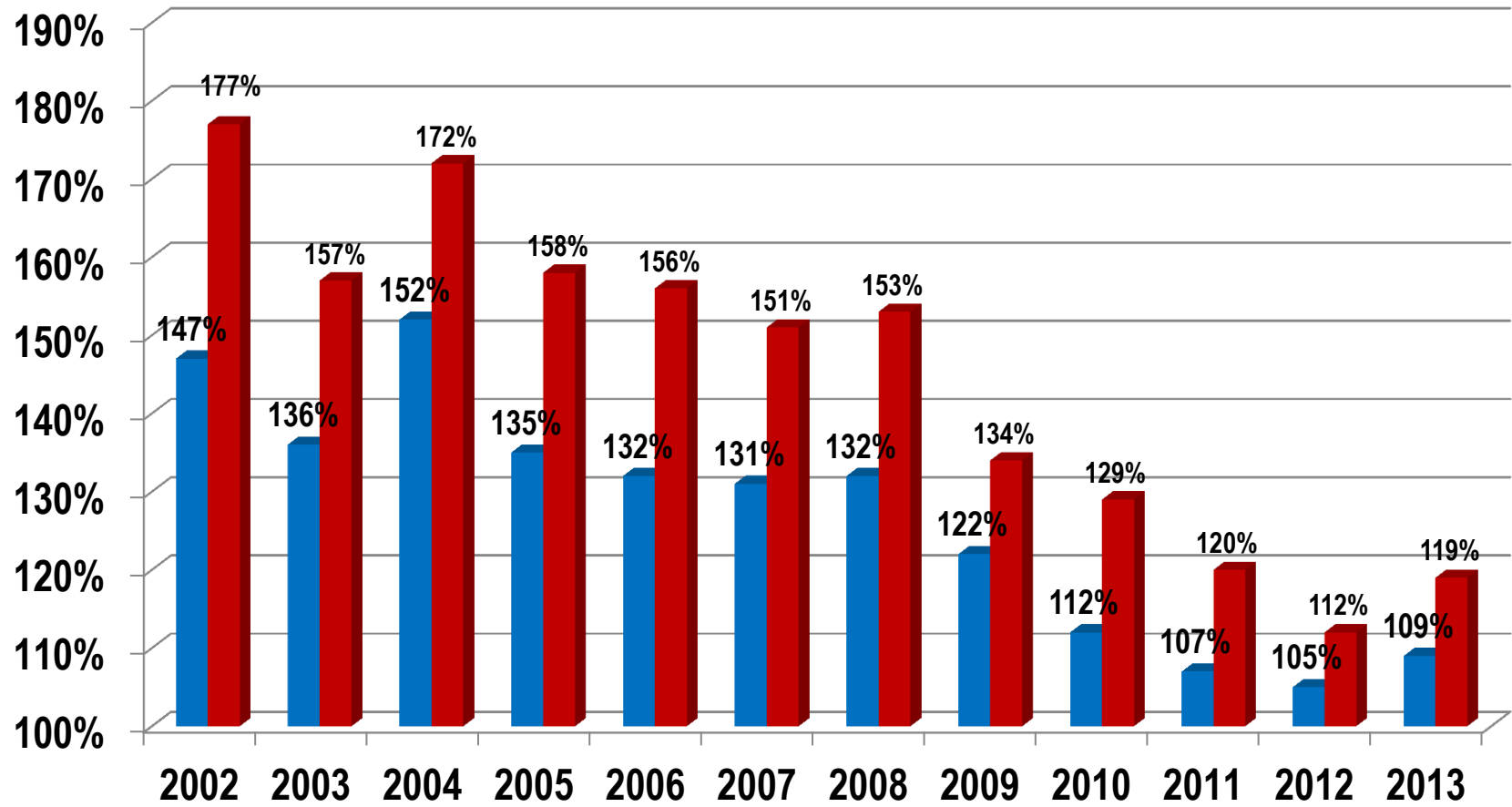
General Fund Expenditures Retirement System (Continued)

- As of December 31, 2013, the **Sheriff Group** in the retirement system had a funded ratio of 119.2%. As a result, no employer contributions to the pension system are required for 2015.



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Percentage Funding Level of Pension Funds



Blue(left) = General Group

Red = Sheriff's Group



2015 Major Transfers Out

- Health Department - \$825K
- Juvenile Home - \$570K

Note: Other Child Care programs funded by the General Fund - \$685K, a \$57K increase over 2014 budget



2015 Major Capital Expenditures

General Fund

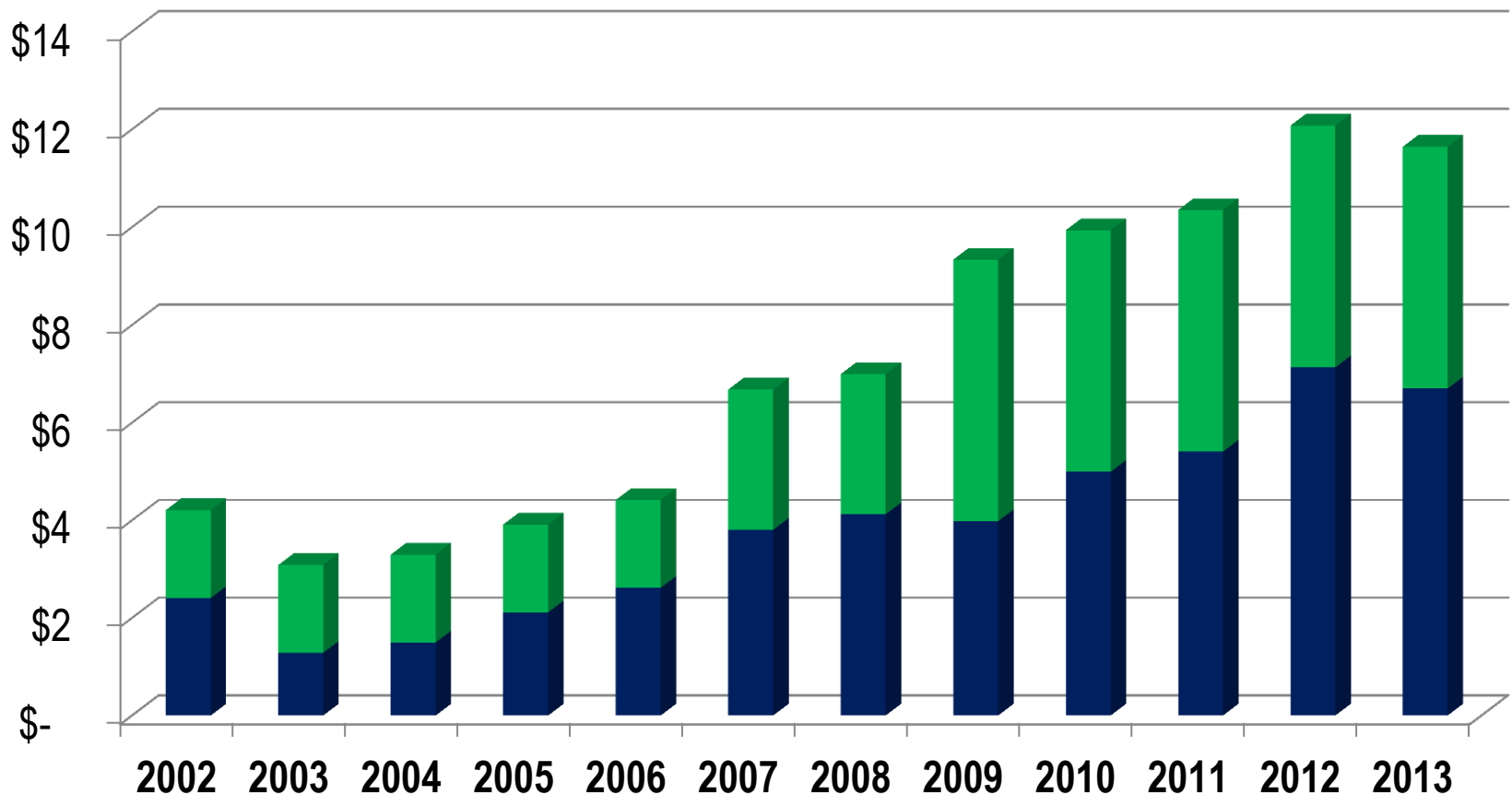
• Building & Grounds	\$ 15,000
• Risograph Machine	\$ 16,800
• Community Center	\$ 55,000
• Sheriff	\$ 119,500
• Information Systems	\$ 300,400



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General and Budget Stabilization Fund Balances

Millions



Green: Budget Stabilization Fund

Blue: Assigned Fund Balance



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RECOMMENDATIONS





Recommendations

- Maintain a status quo budget.
- Use approximately \$490K of Assigned Fund Balance to balance the budget, which is approximately the total capital outlay for 2015. At the end of 2016, Bay County's primary government debt will be serviced.
- Maintain up to a 15% reserve level in the Budget Stabilization Fund.
- This approach strikes a balance between the needs of the citizens of Bay County and its employees, while ensuring fiscal responsibility and excellent service to the community.



Questions?
Thank you!